



Greg Lentz
Managing Director

April 15, 2025

Via E-mail: kimberly.corell@leaguecitytx.gov

Ms. Kimberly Corell
Director of Finance
City of League City
300 W. Walker Street
League City, Texas 77573

**Re: Bay Colony West Municipal Utility District (the “District”)
\$3,570,000 Unlimited Tax Bonds, Series 2025
\$2,800,000 Unlimited Tax Park Bonds, Series 2025A**

Dear Kimberly:

The District is proposing to sell its \$3,570,000 Unlimited Tax Bonds, Series 2025 (the “Series 2025 Bonds”) to finance water, sewer and drainage facilities and its \$2,800,000 Unlimited Tax Park Bonds, Series 2025A (the “Series 2025A Park Bonds” and together with the Series 2025 Bonds, the “Bonds”) to finance park and recreational facilities. Pursuant to the attached “Utility Agreement By and Between the District and the City of League City, Texas” (the “Utility Agreement”), the District is required to obtain City of League City approval prior to the sale of the Bonds. The terms and conditions of the Bonds and expenditure of funds are in compliance with the Utility Agreement, in particular, the District is in compliance with Sections 5.02 and 6.06 of the Utility Agreement which stipulates maximum debt ratios allowed (see detail below).

The bond application and sale of the Bonds is under review by the Texas Commission on Environmental Quality (“TCEQ”). We have attached the summary of cost along with a no growth cash flow analysis related to the financing for your review. The District levied a 2024 tax rate of \$0.89 per \$100 of taxable assessed valuation (\$0.585 for debt service and \$0.305 for maintenance). The District’s 2024 Certified Taxable Assessed Valuation as of January 1, 2024 and Estimated Taxable Assessed Valuation as of March 1, 2025 as provided by the Galveston Central Appraisal District, is \$395,927,505 and \$445,336,864, respectively. The District’s current outstanding debt assuming issuance of the Bonds will be \$28,440,000. The ratio of outstanding debt to 2024 Certified Taxable Assessed Valuation as of January 1, 2024 and Estimated Taxable Assessed Valuation as of March 1, 2025 is 7.18% and 6.39%, respectively. **There is no tax rebate associated with the District.**

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The District would like to sell the Bonds on or around Wednesday, May 28, 2025, and in connection therewith, the District would like to obtain League City approval as soon as possible.

Please let us know if you need any additional information.

Thank you for your assistance with this financing.

Sincerely Yours,



Greg Lentz
Managing Director

Enclosures

cc: Mr. Dax Philbin, Bacon, Wallace & Philbin, L.L.P.
Ms. Alexis Walker, Bacon, Wallace & Philbin, L.L.P.
Mr. Jared Welsh, Masterson Advisors LLC